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Organisational Learning and Public Sector Management: An Alternative View

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Abstract

The public service modernization agenda has directed attention to the problematic questions of how public sector organisations learn, what they learn, and how they fail to learn. This article considers: definitional problems of organisational learning; the critical differences between individual and organisational learning; the public organisation's capacity to learn; some of the principal sources of public sector learning; the ambivalent nature of learning networks; and the main barriers to effective learning. Drawing from a current study amongst senior public service managers, the discussion assesses the extent to which public service modernization encourages, or rather inhibits, organisational change and improvement. It is suggested that organisational learning in the public sector is not necessarily delivered through partnerships and the agenda of modernization: it may derive instead from internal processes and a focus upon the existing strengths of the organisation. The article re-evaluates the conventional wisdom of organisational learning and proposes a heretical view of learning and networks. In drawing out prospects for future research, it advocates a renewed emphasis upon effective internal learning.

Introduction

...organizations, as social systems, are by their very nature environments in which learning takes place (DiBella et al., 1996, p.362).

The following discussion explores some issues of organisational learning in the public sector. Based on pilot interviews conducted during 2005 with a group of managers in public organisations, there is no attempt here to present definitive conclusions. The purpose instead is to present initial observations and propositions relating to learning in public organisations which (together with earlier questionnaire research) form the preparatory stage for a larger-scale study.

Our initial research has explored the issues of *how organisations learn* (eg, the role of partners, networks and, for local government, the Improvement and Development Agency (IDeA) and Office of the Deputy Prime Minister (ODPM)); *what has been learned* (the specific benefits public organisations derive from the learning process); and *how organisations fail to learn* (the key barriers to, and constraints upon, learning). The interviewees were particularly close to the corporate level of working within their organisations and thus in a position to reflect upon learning within the organisation as a whole.

The established literature of organisational learning has been considered specifically in the light of the government's modernization agenda for UK public services.

On the basis of these sources, a rather heretical view of learning – and especially of networks – is advanced as the basis for our continuing research.

Definitions of Organisational Learning

We define organizational learning as the capacity (or processes) within an organization to maintain or improve performance based on experience (DiBella et al., 1996, p.363).

Although organisational learning is a term that produces a generally warm reaction – it is after all difficult to be against it – it is not always used with any great precision.

Holmqvist (2003) identifies several assumptions of organisational learning theory. First, that organisational learning is essentially based on the notion of *experience*, whether individual or collective, although this does raise the difficult issue of whether an organisation (in contrast to an individual) can be said to 'experience' something in any intelligible sense. A second assumption is that organisational learning produces *change*: something has been learned, thus the range of possible responses has grown, although we might add that the conclusion of "learning" could be that our existing actions are the best and therefore do not need to be changed at all: a point to which we will return. Thirdly, it is assumed that organisational learning is individual learning in a social environment – with others. Fourthly, learning is held to be organised, not random: the organisation is likely to have rules and established patterns for acquiring knowledge, ie, learning is directed.

Beeby and Booth (2000) recall Lundberg's important distinction between 'organisational learning' (the processes of learning within organisations) and the 'learning organisation' (which they describe as a 'systems level entity with particular characteristics and capabilities') (2000, p.80).

Yet the definition of organisational learning remains problematic. Beeby and Booth (2000, pp.80-81) point to two reasons for this: first, the difficult relationship between individual and organisational learning and, secondly, the distinction between 'single loop' and 'double loop' learning (derived from Romme and Dillon, 1997). Put simply, single loop learning denotes the correction of errors and modification of action in pursuit of known existing goals. Double loop learning indicates that the learning process itself is turned

back on goals and assumptions with the possible outcome of organisational transformation.

Dodgson (1993) points out that the economic and management literatures associated with organisational learning have tended to concentrate upon its 'outcomes' instead of looking at what learning 'actually is'. This would indeed seem to be true of public service modernization, with its focus on what learning 'delivers', not on what it is. The psychological and organisational theory literatures, however, have given greater attention to the nature of the learning process. Drawing from this, Dodgson regards learning as embodying both processes and outcomes, and identifies a number of assumptions within this broad definition: first, learning tends to be positive even where specific outcomes have been negative, ie, the organisation has learned from its mistakes (the 'reflective' experience specified by Elkjaer (2001) as an essential element of learning); secondly, although individuals learn, their collective learning can impact upon group culture and the corporate whole; and, thirdly, learning takes place throughout the organisation at 'different speeds and levels' (1993, p.377).

On the basis of these insights, we are interested in whether the concept of learning contained within public service 'modernization' encourages or inhibits change and improvement.

The Sources of Learning

From where do public service managers actually "learn"? Private sector experience, overseas examples, personal contacts or local networks are all possible sources of learning. A senior strategic manager in local government suggested that the council learns "from all these", and yet from "none". The private sector was initially held up as the model for the public services to emulate, "seen as a panacea" at the time (as in the era of Compulsory Competitive Tendering (CCT)). But, as this respondent pointed out, things have "moved on" and the private sector is no longer the only model on offer. Additionally, he noted that the organisation now has to *demonstrate* that it is learning, for instance through the demands of Comprehensive Performance Assessment (CPA). Learning, in local government, has gone through distinct "phases", with differing and changing expectations. We might identify here the crude obligations of CCT, the subsequent requirement of Best Value that councils reflect upon their own performance in the context of comparable groups of local authorities, and the current evidence-based methodology of CPA.

Further, the interviewee pointed to a continuing "protectionism" within organisations which can serve to limit the learning process. Some local councils were identified as more protectionist than others: examples were cited, the price of this insularity being to reinvent the wheel forever.

Two named local councils were said to be actively learning from each other, with the important role of the ODPM in brokering contact. The networks involved were important, but there were felt to be *too many of them*: IDeA,

ODPM, local networks and more. His local council has also established its own networks, with a half-day session coming up for the five metropolitan councils in the area, possibly leading to a major regional conference.

A former elected mayor reported his own experience in setting up a major programme involving middle managers, with the aim of “selling a different way of doing things”. This was assisted by the fact that he was *not* their manager, an interesting angle on the facilitation of learning. His role was in helping people to believe in themselves, which we could perhaps interpret as inspiring learning.

A service development officer in local government felt that other local councils were the principal sources of learning, in contrast to a manager from a central government office who could not define these so readily. A government organisation which, in his words, “*doesn’t deliver anything*” presents interesting issues for students of organisational learning.

A senior university manager indicated that benchmarks were important tools of learning, in two senses: first, in providing a *comparative* benchmark for (e.g.) the remuneration of senior managers, and, secondly, in providing a *competitive* benchmark to assess the performance of the university against its principal rivals. These kind of performance measures, however crude, do force the organisation to learn in much the same way that CPA propels local councils toward enforced learning. Although such external benchmarks may provide the basis for policy transfer between different organisations (see, for instance, Rose 2005, pp.117-124), they do not necessarily ensure that learning takes place. The organisation may also learn from itself.

Sources of learning found within the example above include the university Board of Governors which was said to be a key source of learning in a managerial sense, explicitly providing an input which is “*very much that of a business perspective*”. To what extent can the organisation learn from within, via upward information flows? In a university, staff and students were cited as sources of learning, but in a local authority context there was said to be “very little of that”. We “need to get a lot better.” Historical and cultural factors militate against the articulation of views upward, and simply asking people for their suggested solutions faces barriers that are difficult to overcome. Another interviewee, from a different local authority, could not think of anything that had *ever* been taken up by the organisation after being suggested from “below”.

Individual and Organisational Learning

The link between individuals who are actively engaged in learning, and the sense in which the organisation itself can be said to be “learning”, remains problematic. Clearly, individuals within an organisation may feed their “learned” conclusions into the life of that organisation, but the results of this are not predicable: they are mediated by the individual’s place in the hierarchy, their relationships with superiors or subordinates, and the existing culture of the organisation (see, for instance, Elkjaer’s case study (2001) of Denmark).

Vince and Saleem (2004) in their study of a local authority point to the “tension” between individual and organisational learning. For political and emotional reasons, scope for individual reflection may be limited. Problems of reflection and communication may be seen as issues for the individual to resolve. The processes underpinning learning “... are conceptualized and managed as if they belong to the relationship between an individual and his or her managerial role, rather than as part of the relationship between all managerial roles and organisation” (Vince and Saleem, 2004, p.149). We would suggest that the capacity for individual reflection is an organisational responsibility.

The connection between individual and organisational learning also depends in part on that individual's place within the hierarchy. As a central government manager pointed out, “*as you rise up people take more notice*”.

An effective link between individual and organisational learning also depends upon good internal communication. A government office manager felt that learning happens within the immediate team, but not necessarily between that team and the wider organisation. A university manager spoke of the challenging nature of mutual learning even amongst the most senior managers, becoming more problematic as communication filters through successive levels (Deans, Schools and so on) within the organisation. If the traditional cultural resistance of academics to being “managed” is added to the mix, we might suggest that universities are rather unpromising environments for effective organisational learning, notwithstanding their commitment to learning in other senses.

The problem of how learning impacts within the organisation was referred to by respondents from both local and central government. A local government officer, returning from secondment to another department, felt that “no-one wanted to know” what she had learned from this: the attitude remained one of “we do it this way”. The central government manager, having recently gained a relevant qualification, similarly felt that his colleagues were “not interested” in what he had learned.

It would seem that, in this small group of contrasting public organisations, the impact of learning within the organisation may be problematic. This is important. It undermines any assumption that, because individuals learn, the organisation learns. The organisation may learn nothing at all from the learning experiences of its staff.

Intra- and Inter-Organisational Learning

Holmqvist (2003, p.96) has sought to bring together intra- and inter-organisational learning by proposing a ‘dynamic’ model: “... organisations need to learn from experience in two interrelated yet disparate ways. They must create variety in experience. This is exploration. They must create reliability in experience. This is exploitation.”

Thus, an organisation such as a local council needs to *explore*: to uncover new ways of working, and to “challenge” within the required terms of Best

Value and CPA. This may be a form of “learning”, in the sense of discovery, but a conclusion needs to be drawn from this: a lesson, a specific answer, which must mean discarding some potential courses of action.

Holmqvist has also argued that intra- and inter-organisational learning are inseparable, and are characterised by “four interrelated transformations of learning that occur both within and between organisations: acting, opening up, experimenting and focusing”:

Acting – a continuing process of ‘exploitation’ for the organisation, deriving lessons from learning

Opening Up – the organisation moves from exploitation to exploration, developing new ideas and solutions

Experimenting – continuing process of exploration – trying new responses

Focusing – from exploration back to exploitation.

The essentially prescriptive nature of public service modernization may not produce quite such an open and creative process of learning. There is scope for exploration and exploitation outside of the performance methodologies specified by government. However, such “learning” may be uncomfortable for some as it challenges existing assumptions, including those of the government.

The Capacity to Learn

DiBella et al. (1996) are critical of the normative model and its implication that there is a preferred way of learning. Instead, they suggest a focus upon the organisation’s “existing capabilities or preferences” in identifying how learning might take place (DiBella et al., 1996, p.362). Specifically, they suggest there are several “orientations” that reflect the organisation’s particular capability to learn. From their research within six units of four major private companies, they are able to link the “capabilities and processes” for learning within specific companies to the culture, values, skills and product of the particular company.

The “orientations” to learning within the public sector organisation are numerous. The question of who directs that learning is also difficult to resolve. All these factors are perhaps more varied than the government’s methodologies of performance suggest. Learning does not necessarily proceed in the manner determined by government.

A senior local authority manager found the question of “who directs what’s learned?” to be significant. He felt that there was *some* role for professional groups, but essentially there has to be a “steer from the top” to make learning work. If this is so, it raises important questions about both the cultures and structures that facilitate learning.

The capacity to learn, in the view of a senior officer from local government, also relates to historical factors, to rivalry between councils, to staff changes (especially at senior level) and to the perspectives of key individuals. Things have changed. The notion of a City Region is pushing local councils (and other public organisations) toward greater co-operation. As for CPA, it was said that although there is an element of “playing the game”, it does genuinely

challenge thinking and conventional wisdom. It forces us to reflect on *how* we learn.

Networks

The interorganizational learning dilemma stems from it being individually rational for an organization to pursue the maximum organizational share of the joint learning by taking more knowledge than it gives (Larsson et al., 1998, p. 288).

Beeby and Booth's (2000) exploration of strategic networks draws from the fields of strategic management, organisational theory and organisational behaviour. They review the "knowledge-based" view of the organisation, ie the perspective that places emphasis upon the resources and capacity of the organisation (rather than its market position) as the basis of competitive success (2000, p.75). They then go on to develop Coughlan's (1997) model of organisational learning as a multi-level process. "In what is becoming known as the "knowledge-based view of the firm"... knowledge is seen as the resource on which firms base their competitive strategies" (Beeby and Booth, 2000, p.77). If we apply this to the public services sector, we can suggest that the *unique knowledge* (of the community and of the shared social goals as well as the 'product' or service) possessed by a local council differentiates it from a private contractor in a way which was completely unrecognised under CCT and only partially recognised under Best Value.

The organisational 'knowledge' of the local authority may also be informed by an active use of citizen and community expertise (see, for instance, Martin, 2003). Local partnership structures and community planning processes may explicitly bring the public into local networks of learning, although this essentially political development becomes problematic when there is disagreement about specific policy issues.

Beeby and Booth further develop Coughlan's (1997) model by recognising the "increased incidence of inter-organisational relationships" ie the assumed importance of networks and alliances for the success of the learning process (2000, p.80). Coughlan had understood learning as the search for (and readiness to act upon) "disconfirming" evidence. This was seen as a matter of stages or levels of learning (experiencing, processing, interpreting, and acting). Beeby and Booth propose the addition of an inter-organisational level, reflecting the "...increasing incidence of *co-operative relationships between organizations*, and the need for knowledge acquisition and integration within such relationships" (2000, p.84, our emphasis).

Larsson et al. (1998) have also considered the importance of strategic alliances. Writing of the private sector context, they suggest that the actual performance of such alliances may be more disappointing than the "often rosy picture painted", perhaps because of lack of transparency, unregulated information collection, or "competitive intent" between partners (Larsson et al, 1998, p.286). This critical view of alliances and networks is something to which we will return.

In applying Larsson's perspective to the public sector, there seem to be some limitations. For instance, there may be important *affiliations* that tie together

potentially competing organisations in relationships of co-operation. To develop this point a little further, it is evident that learning between local councils in a particular area may invoke shared political values or a shared regional identity which help to link the organisations into a co-operative relationship. Dekker and Hansen have considered "... the effects of increased political involvement on the learning capacity of public organizations" (2004, p.212). They take the view that there are important differences between organisational learning in the private and the public sectors, and that the latter cannot be understood without reference to the political context. They explore this dimension in relation to criminal justice in Sweden (the assassination of Prime Minister Olaf Palme) and in the Netherlands (the interregional criminal investigation team), in both cases identifying the elements of *political pressure, dispute, and the relationship of the political level to the work of the organisation*.

It could also be said that networks provide an opportunity for *other* organisations to learn from "our" experience, thus providing a model of learning for others. A former elected mayor spoke to us of the lessons provided for other councils and other organisations. It was suggested that local areas can move forward when decisions are tied to one identifiable person or small group and when officers can explicitly accept different ways of working.

We would suggest that there is a key difference between the personal networks which all professional staff (in different parts of the public sector) become part of in the course of their work, and which provide ideas, support and recognition; and the increasing number of formal, structured, and determinedly strategic networks which organisations are pushed toward as part of the government's obsession with change and performance – and which may produce relatively little of value to the actual work of the organisation.

Becoming a Learning Organisation

(a) Overall Constraints and Barriers

Hodgkinson (2000) reports on some of the barriers to becoming a learning organisation identified by a group of middle managers. Those involved were asked to set out their concept of the learning organisation in the light of Senge's five disciplines of personal mastery, mental models, shared vision, team learning and systems thinking (1990). Key barriers to becoming a learning organisation were said to lie in a "risk averse" attitude to personal mastery; a difficulty in maintaining useful mental models at a time of rapid change; the possible role of line managers in "blocking" the search for a shared vision; lack of support in building teams (along with physical dispersal of staff caused by home working or lack of a central office – a factor also identified in our interviews). All these could get in the way of rigorous "systems-level" thinking.

Within our study, a former elected mayor referred to some of the main barriers to effective learning, noting, generally, the local media getting in the way (with examples); the lack of ambition and the overall negativity in the local area. Within the organisation itself, the "culture" was said to be

problematic: a culture of “not telling the truth”, of “boys’ power games”, and of a “party political democracy” where “politicisation” has got in the way. In this context, “consensus management” was “ruled out” by the centre: a case of the wrong culture *and* the wrong structure.

(b) Fear, Blame and Trust

The perception of the manager who claimed ‘we are an organization terrified of getting things wrong’ seemed to us to be justified. If you are terrified of (or even cautious of) getting things wrong then one solution is to look around for others to blame (Vince and Saleem, 2004, p.147).

Vince and Saleem (2004) identify “caution and blame” within a public sector organisation as factors which inhibit the learning process, and suggest that emotional and political factors within the organisation can block effective learning. When the habitual stance of the organisation is based on caution, accompanied by individual blame, there is little scope for *reflection*, communication or learning.

Their case-study was of a UK local council. Several aspects of the local government environment can readily be identified as brakes on learning, including culture and history, role-based bureaucratic management, and, especially, an excessively deferential attitude to the assumed requirements of elected councillors. This environment almost inevitably produces conservatism and timidity. Yet government requires and rewards innovation.

Using an interpretive methodology, Vince and Saleem interviewed nine senior managers from within the council’s corporate management structure. Their research highlighted four key factors relating to learning within this organisation: “emotion, blame, reflection and communication” (Vince and Saleem, 2004, p.134).

“Learning involves redefining assumptions and boundaries that shape action and interaction” (Vince and Saleem, 2004, p.135). The emotional and political boundaries are seen as particularly important. They suggest that although emotion is usually seen as “getting in the way” of the work of the organisation, fears and anxieties can in fact be a spur to effective learning (Vince and Saleem, 2004, p.137). Fear of “getting it wrong” can drive managers to come up with new effective solutions, or it can just lead to blame and blockages. The important element seems to be the opportunity for (and ability to engage in) reflection.

One of our respondents, a senior corporate manager in local government, identified, unprompted, feelings of *fear*, *shame*, and *trust* within the council. Elected councillors in particular look for someone to blame. Yet, in order for learning to take place, people need to be able to speak up without fear of censure. This simplest of points tends to be overlooked.

Leadership

Arguments about the differences between leadership and management have been well-rehearsed, but they take on a particular relevance in relation to

organisational learning. As one local authority manager said, learning is about *leadership* above all. It is also about the culture of the organisation. There is also the crucial importance of communication, values, and ownership.

In providing leadership, the senior management team are important as agents of change, setting the agenda for who learns and for what has been learned. One might add that although this helps to direct the learning process, it also limits it: directing learning makes it happen, but only in certain ways. It was stated that in order for learning to succeed, the organisation needs to have in place the right corporate governance arrangements: the structures to support leadership. In this respect, it was suggested that although structures are important, and a framework is needed, there is no 'right' structure. People need 'hooks' to hang on to. Structures provide those hooks: and different locations in the structure provide their own networks.

Organisational Learning and Change: a Heretical View

We now offer a perspective on public service reform in the UK. Over the last two decades reform has taken many forms. Successive governments have pursued their favoured strategies with vigour under the sometimes misplaced belief that public services need to become something *different* to meet the demands of modern society. The "what" public services should change into has never been fully visualised, meaning that many government strategies have either resulted in an inordinate amount of repetitive legislation or attempts to rectify the failings of previous legislation through total change.

Reform strategies have impacted on every corner of public service work and have been concerned with the internal and external operating environments of public organisations. Organisation, culture and structure have been favoured reform targets, along with changes in the regulation of public services (variously viewed by reform agents as too strong or not strong enough). The daily operating lives of public service organisations have become heavily prescribed by recent government reform programmes, often against the paradoxical backdrop of an intention to "lighten the touch", "free" the public service manager and "empower" organisations and staff within their respective systems. "Joining up", for example, is just one amongst a long list of operating codes influencing the who, how, when, and where of public service work.

Reform programmes do not come without their dangers and some of the most damaging impacts on the creation of desired governing systems concern the direction and strength of unintended consequences of change. "Joining up", for example, has been hindered by the increasing number of organisations created as single purpose regulators.

A new system of governing has been created. A series of changes and unintended consequences has limited the capacity of the centre to influence the system. A strongly documented contributor has been the loss of functions and powers of central government to other agencies both supranational and domestic. The myriad of organisations now responsible for the provision of

public services form a system where the centre has lost much of its steering capacity relying on the power of the Treasury to reassert control. This new governance is characterised by fragmentation of policies and politics, loss of clear accountabilities and control deficits.

The growth of networks is a central feature of the new governance. Networks are defined within the governance literature in many ways, but in recent accounts networks are seen as more than interest mediators and are set at the core of governance (Bevir and Rhodes, 2003). In such expositions networks are increasingly interpreted with regard to power dependence or rational choice frameworks (Bevir and Rhodes, 2003). Networks, then, are "sets of organizations clustered around a major government function or department" (Bevir and Rhodes, 2003, p.54). Recent developments in governance mean that the number of networks operating has increased. Further the membership of these networks has broadened and the devolution arrangements have resulted in territorial duplication of national networks. While government must now work with and through these almost autonomous networks in the delivery of public services there are also elements of policy that positively encourage the development of networks.

The complexities of the new governance have provided several challenges for the centre. The most common response to these challenges has been to look for the all-encompassing fix. Successive waves of reform have seen the development of the "big idea" as the panacea to the problems of governance. Privatisation is arguably the most striking example. As one of our interviewees pointed out (above), the private sector has been seen as *the* model for public service reform. Joined up government however provides a convenient example of the potential problems of the big idea. Public services have been "encouraged" to join up their thinking and actions in response to the problems of governance that cut across individual service organisations and the related networks. Indeed this drive toward joining up has spawned a new set of relationships that need to be managed. The management of these relationships requires a form of regulation in an attempt to reassert central control. The new regulatory regime grows more organisations concentrated on the management issue that then require joined up relationships; so the system grows and so the solutions to the problems of governance become part of the problem themselves or create new problems to be "managed".

There are no easy solutions to the problems of governance. However, there is a growing literature espousing the benefits of a response to governance based not on the positivist assumptions of the all-encompassing solution but the interpretive, anti-foundational, approach that questions the legitimacy of authority in directing actions. Anti-foundationalists argue that knowledge does not correspond to an objective reality but rather to shared understandings that mirror the mindsets of those who seek to construct the accepted truth. Governments then should not seek to direct but to use narrative approaches offering differing "realities" with associated actions. Individual organisations would then be free to create the "realities" that best suit local circumstance.

While the narrative then becomes the control tool, and is necessarily bounded by the prevailing ideology of the government, the narrow “fix it” responses to the problems of governance may be avoided. Naturally such an approach demands high levels of trust in local actors which given governmental power relationships may prove problematic to realise.

Networks are both a major vehicle in, and hindrance to, the development of public organisational learning. As discussed above, the organisational learning literature links learning and organisational change: organisations will learn and change to become better in some desired way. Recent cultural and structural reforms of public service organisations have encouraged learning through various network routes, but respondents have identified that learning through networks brings its own problems for public organisations. First, the number of different networks impacting on service provision is growing and these networks now span sectoral boundaries. Second, different networks value knowledge in different ways. Third, power relationships and political ideology usually favour certain networks’ knowledge. Fourth, changing measurement regimes mean that it is difficult for networks and organisations to identify (and broker) *which* knowledge and learning is useful in improving performance. Fifth, and most importantly, organisational change is stifled by competing “good intentions”.

The two approaches to the problems of governance presented here (big fix and anti-foundational) each limit the degree of organisational change that may be achieved. The big fix assumes the superiority of one reality over another and the anti-foundational presents differing realities that may belie the need for change.

The heretical view presented here is that in public organisations performance change and improvement may be better served by learning from within. Greater concentration on what individual organisations do (the systems, processes and procedures employed) and emphasis on doing what they do *better* may ultimately result in “less is more”.

Some Unfashionable Observations

We conclude with a number of rather unfashionable observations about learning in public sector organisations. These challenge some dominant assumptions of conventional thinking about organisational learning and are the basis for our continuing research.

- The explosion of formal networks and alliances may hinder, rather than assist, the unspectacular but necessary hard work of providing services that people want and need.
- The assumption that all learning is necessarily good can be challenged, as indeed it was by some of the interviewees. Examples of poor rather than good practice may be transmitted, and we may not know until much later that such learning was not “good”.
- Measuring performance is essential for any organisation entrusted with the stewardship of public money. But a methodology that takes external

learning and collaborative alliances to be positive measures of performance *in themselves* is misconceived.

- The regulatory framework of modernization is centrally-driven and overly-prescriptive. A university manager's depiction of an "iron hand" within the frameworks of financial administration has a general resonance for public service management. This directive approach detracts from successful learning.
- The relationship between individual learning and organisational learning deserves closer attention. Government performance regimes make assumptions about this which are not warranted.
- Greater clarity about the differences between knowledge and learning is required. As a local government interviewee suggested, knowledge and learning are quite distinct. Although specific knowledge is needed for particular purposes, the organisation does not "learn" from it in any real sense. Learning is different and more difficult.
- As a local government manager suggested to us, the end result of (rigorous and thoroughgoing) learning might even be that *we should leave things exactly as they are*.

In conclusion, the questions of how organisations learn, what they learn, and how they fail to learn remain problematic when applied to the public sector. The paradox is that the learning process in public organisations is both more complex and more simple than government and others suggest. Improvement may come from internal learning rather than through the contrived structures and dramatic change demanded by the government's modernization regime, and this, ironically, may be the hardest lesson to learn. The assumption that collaboration and partnership are necessarily positive indicators of performance provides an escape route for organisations to set up the formal mechanisms for inter-organisational learning without taking to heart the spirit and culture of real improvement. This is linked to the observation made to us by a central government manager. He suggested that an "unwritten rule" dictates that "someone else" has to tell us what good practice is before it is recognised as such.

We would suggest, then, that the tired clichés of management – thinking outside of the box, transformational change, perhaps even the "learning organisation" itself – should be rested, as they do not produce better public services or better management. There is a powerful argument for thinking inside the box, if that box is carefully crafted, attractive, and valued by those who matter: local people, service users and staff.

Note

The pilot study upon which this article is based comprised individual and group interviews with a sample of managers drawn from local government, central government and higher education. We would like to record our thanks to these necessarily anonymous respondents. We also thank Dr Stuart Davidson for his assistance with an initial literature search.

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